

CHAPTER 1220**RETIREMENT INCENTIVES AND EFFICIENCY IN GOVERNMENT***H.F. 2454*

AN ACT relating to efficiency in government and providing effective dates.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 279.46, Code 1991, is amended to read as follows:

279.46 RETIREMENT INCENTIVES — TAX.

The board of directors of a school district may adopt a program for payment of a monetary bonus, continuation of health or medical insurance coverage, or other incentives for encouraging its employees to retire before the normal retirement date as defined in chapter 97B. The program is available only to employees between fifty-nine and sixty-five years of age who notify the board of directors prior to March 1 of the fiscal year that they intend to retire not later than the next following June 30. An employee retiring under this section shall apply for a retirement allowance under chapter 97B or chapter 294. If the total estimated accumulated cost to a school district of the health or medical insurance coverage, bonus, or other incentives for employees who retire under this section does not exceed the estimated savings in salaries and benefits for employees who replace the employees who retire under the program, the board may include in the district management levy an amount to pay the costs of the program provided in this section.

Sec. 2. PARTICIPATION IN HEALTH OR MEDICAL INSURANCE PROGRAMS BY RETIREES AGE FIFTY-FIVE OR OLDER.

1. As used in this section, unless the context otherwise requires:

a. "Health or medical insurance program" means a health or medical group insurance plan for employees of the state.

b. "Member" means an employee of the executive branch of the state or the judicial branch of the state who is a member of the Iowa public employees' retirement system or the Iowa department of public safety peace officers' retirement, accident, and disability system, who at the date of termination of employment is receiving full health or medical insurance benefits pursuant to a health or medical insurance program in which the state makes contributions, and is not receiving disability payments under the state employees' disability insurance program, and who is not a member of the general assembly. "Member" does not mean an employee of the state board of regents.

2. A member with at least twenty years of membership service who retires on or after May 15, 1992, and before January 15, 1993, who applies to receive retirement benefits under this Act prior to January 15, 1993, who has attained at least the age of fifty-nine at the time of retirement, and who was a participant in a health or medical insurance program in which the state makes contributions at the time of retirement, may continue to participate in the health or medical insurance program in which the member is enrolled on April 1, 1992, as authorized by law. However, a member may choose to participate in a health or medical insurance program after April 1, 1992, which incurs less cost to the state. Notwithstanding any other provision of law to the contrary, the state shall continue to pay the employer's portion of the premium at the cost existing at the time of retirement under the program for the retiree until the retiree attains the age of sixty-five. Any additional premium costs for coverage incurred after the time of retirement shall be paid by the retiree. However, in order to have the state continue to pay the employer's portion of the premium, the member must send written notification to the department of personnel at any time after the effective date of this section and prior to November 15, 1992, of the intent to retire and the anticipated date of retirement.

3. If a member continues participation in a health or medical insurance program and the state pays premiums as authorized in subsection 2, the member is not eligible to accept further employment in which the state or a political subdivision of the state is the employer. However, this subsection shall not apply to a member who is elected to a public office as defined in chapter 56.

4. A state department shall not be required to delete more than its proportionate share of all general fund full-time equivalent positions vacated due to the incentive for retirement established in subsection 2. All positions vacated by a member exercising the rights established in subsection 2 shall be deleted, and the savings, as determined by the department of management, shall revert to the originating fund in a manner specified by the department of management, except that the portion of the savings which represents the cost of the employer's portion of a member's premium payable under this section shall not revert but shall be transferred to the department of revenue and finance to defray the costs of implementing this section. However, if an affected department determines that the vacancy may be detrimental to critical services provided to the public, the affected department may, with the approval of the department of management, exchange the vacancy with a position or positions determined by the department of management to be of an equal value, and delete that position or positions. If a position is not available for exchange, the department may, with the approval of the director of the department of management, retain and fill the vacancy. It is the intent of the general assembly that retirement taken pursuant to this section be used to eliminate the greatest number of employment positions as is feasible. The department of management shall report to the legislative fiscal bureau and the fiscal committee of the legislative council the number of vacancies retained and filled pursuant to this subsection.

It is the intent of the general assembly that the cost of premiums incurred by a state department be included within that department's annual budget and be paid from originating funds.

Sec. 3. INITIATIVES FOR EFFICIENCY IN STATE GOVERNMENT — SPAN OF CONTROL AND LAYERS OF MANAGEMENT, JOB CLASSIFICATION SYSTEM, AND TOTAL QUALITY MANAGEMENT. It is the intent of the general assembly to restore the confidence of citizens of Iowa in the value of their investment in state government, to improve efficiency and productivity of state government, and to instill in all state employees pride for their work. The general assembly supports the concept of total quality management achieved through an incremental long-term process involving employee teams examining and improving work procedures, using data-based problem-solving tools to analyze work systems, and making improvements which enhance service to the citizens of Iowa. In order to accomplish these goals, the following initiatives shall be performed:

1. **SPAN OF CONTROL AND LAYERS OF MANAGEMENT.** The department of personnel, in consultation with the department of management, shall, after discussion and collaboration with executive branch agencies, reduce the layers of management in executive branch agencies in the aggregate from those existing on July 1, 1991, by at least 50 percent by July 1, 1994, and increase the ratio of number of employees per supervisor for executive branch agencies in the aggregate from those existing on July 1, 1991, by up to 50 percent by July 1, 1993. The department shall present an interim report to the general assembly by April 1, 1993, and a final report by April 1, 1994, regarding the progress of the department in completing this task and its outcome.

However, before any reduction in layers of management is implemented, the department of personnel shall notify the legislative fiscal committee of the legislative council regarding the proposed reduction. The notification shall include all of the following: a description of the proposed reduction; a list of the positions and employment responsibilities to be eliminated or reduced; a list of activities to be eliminated or reduced; and an estimate of savings expected to result from the reduction of layers of management. The legislative fiscal committee shall report to the legislative council concerning notifications received pursuant to this paragraph.

2. **JOB CLASSIFICATION SYSTEM.** The department of personnel shall evaluate the state's system of job classification for state employees in order to ensure the existence of technical skill-based career paths in state employment which do not depend on an employee gaining supervisory responsibility to gain advancement, and which provide incentives for state employees to broaden their knowledge and skill base. The department shall include in its review the elimination of obsolete, duplicative, or unnecessary job classifications. The department shall present interim reports to the general assembly by January 15, 1993, and January 15, 1994, regarding the progress of the department in completing this task and its outcome.

3. **PRIORITIES IN IMPLEMENTATION.** In implementation of this section, priority shall be given to elimination or reduction of middle management employee positions. In addition, prior to the elimination of employee positions other than middle management positions or positions eliminated due to early retirement, priority shall be given to elimination or deferral by executive branch agencies of purchases and out-of-state travel.

The department of management shall report quarterly to the fiscal committee of the legislative council and to the legislative fiscal bureau regarding out-of-state travel authorized by executive branch agencies including a listing by agency of personnel authorized to travel, and the cost and purpose of the travel authorized.

Sec. 4. **EFFECTIVE DATES.** Sections 1 and 2 of this Act take effect upon enactment.

Approved May 22, 1992

CHAPTER 1221

FAMILY RESOURCE CENTERS

H.F. 2467

AN ACT to establish a family resource center demonstration program.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. **LEGISLATIVE INTENT.** It is the intent of the general assembly to provide the means by which the state of Iowa can achieve the national education goal that states every child should start school ready to learn. It is also the intent of the general assembly to strengthen partnerships between schools and parents and schools and the community, to coordinate existing services to families in order that services can be provided in a cost-effective manner, and to promote strong and responsible family relationships. The family resource center demonstration program should be established to enable this state to develop ways to successfully meet these goals.

Sec. 2. Section 256.9, Code Supplement 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 46. Cooperate with the child development coordinating council in establishing the family resource center demonstration program. Assistance may include, but is not limited to, providing or directing the area education agencies to provide technical assistance to school districts in establishing and maintaining the services specified in section 256B.3, and recommending rules for adoption by the state board relating to the development of family resource centers in school districts. Technical assistance shall include, but is not limited to, assistance to local districts in developing an appropriate financial package that will permit the districts to set up and maintain a family resource center.

Sec. 3. Section 256A.3, Code 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 11. Cooperate with the department of education in establishing the family resource center demonstration program. Assistance shall include, but is not limited to, identification of various funding sources which, in addition to or in combination with state funds, can be used to support the services provided in a family resource center demonstration program and the development of recommended approaches for obtaining and blending funds from various sources.